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OF COUNSEL  
URBAN A. LESTER

RECORDATION NO. 22027 FILED

FEB 16 '99

1-40PM

February 16, 1999

RECORDATION NO. 22027-A FILED

FEB 16 '99

1-40PM

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

RECORDATION NO. 21626-B FILED

FEB 16 '99

1-40PM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Lease Agreement, dated as of February 12, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of a Memorandum of Assignment Agreement, dated as of February 12, 1999, a secondary document related thereto.

The names and addresses of the parties to the enclosed documents are:

Lessor/Assignee: The CIT Group/Equipment Financing, Inc.  
1211 Avenue of the Americas  
New York, New York

Lessee/Assignor: JAIX Leasing Company  
980 North Michigan Avenue  
Chicago, Illinois 60611

A description of the railroad equipment covered by the enclosed documents is:

115 AutoFlood coal cars bearing reporting marks and road numbers  
JAIX 99001 through JAIX 99115.

Vernon A. Williams  
February 16, 1999  
Page 2

The Lease between JAIX Leasing Company and Texas Utilities Electric Company, which is the subject of the enclosed Memorandum of Assignment Agreement, has been previously filed with the Board under Recordation Number 21626. Please cross-index the Assignment under Recordation Number 21626.

Also enclosed is a check in the amount of \$78.00 payable to the order of the Surface Transportation Board covering the required recordation fee and cross-indexing fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures

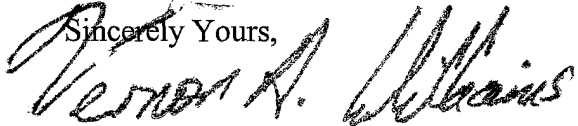
SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20423-0001

OFFICE OF THE SECRETARY

Robert W. Alvord  
Alvord And Alvord  
918 Sixteenth Street, NW., Ste. 200  
Washington, DC., 20005-2973

Dear Sir:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C.  
11301 and CFR 1177.3 (c), on 2/16/99 at 1:40PM, and  
assigned recordation numbers (s): 22027, 22027-A, 21626-B, 15431-G and 15432-A

Sincerely Yours,  


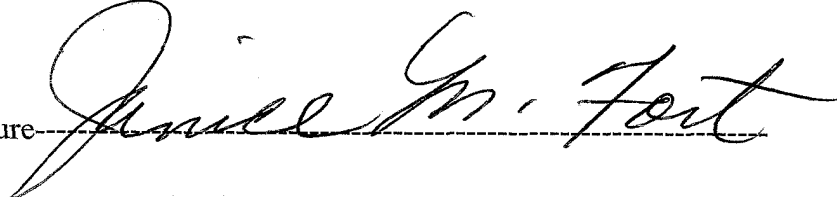
Vernon A. Williams

Enclosure(s)

130.00-Paid by( STB Acct: 22257)

\$\_\_\_\_\_ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature



FEB 16 '99

1-40PM

**MEMORANDUM OF LEASE AGREEMENT**

This Memorandum of Lease Agreement is made and entered into as of February 12, 1999, by and between The CIT Group/Equipment Financing, Inc. ("Lessor") and JAIX Leasing Company ("Lessee"), respecting that certain Railcar Equipment Lease dated as of June 10, 1997 (the "Lease") and Schedule 6 thereto dated February 12, 1999 ("Schedule 6") between Lessor and Lessee.

Pursuant to the provisions of the Lease and Schedule 6, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor one hundred fifteen (115) Aluminum AutoFlood Coal Cars marked JAIX 99001 through JAIX 99115, both inclusive (the "Railcars").

2. The term of the Lease for any Railcar under Schedule 6 shall commence on February 12, 1999 and shall terminate no later than February 11, 2000, provided that the Lease may be sooner terminated as provided therein.

3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of the provisions of the Lease or Schedule 6. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or Schedule 6, the provisions of the Lease or Schedule 6, as the case may be, shall control.

4. This Memorandum of Lease Agreement may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first written.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

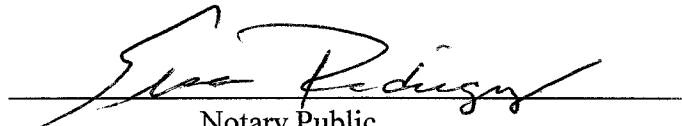
By: Nancy Nardella  
Name: NANCY NARDELLA  
Title: Vice President

JAIX LEASING COMPANY

By: Kenneth M. Tallering  
Name: Kenneth M. Tallering  
Title: Secretary

STATE OF NEW YORK     )  
                                      )  
COUNTY OF NEW YORK    )     SS:

On this 12<sup>th</sup> day of February, 1999, before me personally appeared Nancy Nardella, to me personally known, who being by me duly sworn, says that s/he is a Vice President of THE CIT GROUP/EQUIPMENT FINANCING, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and s/he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public

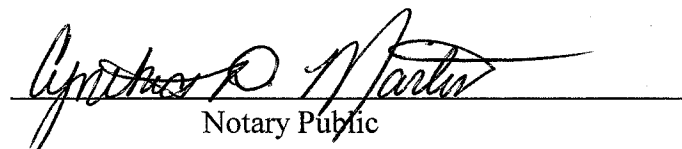
[NOTARIAL SEAL]

My Commission Expires: May 29, 2000

ELSA RODRIGUEZ  
Notary Public, State of New York  
No. 4967228  
Qualified in Nassau County  
Certificate filed in New York County  
Commission Expires May 29, 2000

STATE OF ILLINOIS     )  
                                      )  
COUNTY OF COOK        )     SS:

On this 10<sup>th</sup> day of FEBRUARY, 1999 before me personally appeared Kenneth M. Teller to me personally known, who being duly sworn, says that s/he is a Secretary of JAIX LEASING COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and s/he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public



[NOTARIAL SEAL]

My Commission Expires: \_\_\_\_\_